



REPLY TO  
ATTENTION OF

**DEPARTMENT OF THE ARMY**  
**OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY**  
**FINANCIAL MANAGEMENT AND COMPTROLLER**  
**100 ARMY PENTAGON**  
**WASHINGTON DC 20310-0100**

DEC 14 2006

**MEMORANDUM FOR SEE DISTRIBUTION**

**SUBJECT: FY07 Joint Reconciliation Program (JRP) Goals and Special Interest Initiatives**

**1. The FY 07 JRP goals are:**

- a. **Problem Disbursements by September 30, 2007:**
  - Reduce total Negative Unliquidated Obligations (NULO) to be equal to or less than the September 30, 2006, balance.
  - Reduce total NULOs over 120 days old to zero.
  - Reduce total Unmatched Disbursements (UMD) to be equal to or less than the September 30, 2006, balance.
  - Reduce total UMDs over 120 days old to zero.
  - Reduce intransits over 30 days old to zero.
- b. **Unliquidated Obligations (ULO) by September 30, 2007:**
  - Reduce to zero ULOs in the canceling accounts.
  - Reduce ULOs in the 4<sup>th</sup> expired year by 50 percent of the September 30, 2006, balance.
- c. **Accounts Receivable by September 30, 2007:**
  - Reduce total delinquent intra-governmental receivables outside DoD over 30 days old to 10 percent or less of the total intra-governmental receivables outside DoD.
  - Reduce total delinquent intra-governmental receivables within DoD over 30 days old to 8 percent or less of the total intra-governmental receivables within DoD.
  - Reduce delinquent public receivables amounts greater than 180 days to 10 percent or less as a portion of the total debt from the public. (This will not include debt transferred to Treasury).
- d. **Suspense Clearing Accounts by September 30, 2007:**
  - Reduce the absolute value of suspense accounts greater than 60 days old by 10 percent of the total suspense clearing account.
- e. **Travel Advances by September 30, 2007:**
  - Reduce travel advances in expired years to zero.

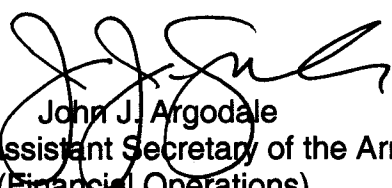
- f. Interest Penalties by September 30, 2007:
  - Reduce interest penalty payments paid per million dollars disbursed to \$70.
- g. Wide Area Work Flow (WAWF) by September 30, 2007:
  - Increase WAWF usage to 50 percent of all receiving reports submitted for payment.
- h. Antideficiency Act (ADA) cases by September 30, 2007 (using September 30, 2006, ADA case inventory balance as the baseline):
  - Reduce inventory of formal ADA cases by 100 percent.
  - Reduce inventory of potential ADA cases by 80 percent.
- i. Defense Travel System (DTS) by September 30, 2007:
  - Increase use of DTS at proliferated field sites to 80 percent.

2. Additionally, there are several special interest initiatives at various implementation stages that will impact business practices during FY 07. They are as follows:

- a. Interagency Agreements: DoDIG audits reveal that use and control of DoD funds under interagency agreements may violate existing policies and regulations, most notably in the areas of bona fide need and severable/non-severable service rules. Additionally, although we have made good progress during FY06 on canceling agreements, \$4.3B remains unliquidated in FY05 and prior. Additional work is needed to thoroughly review all outstanding interagency agreements to ensure unliquidated balances are proper and support the continuing need for goods and services that meet applicable statutory and regulatory guidance.
- b. Accounting Adjustments: Revised guidance identifies the types of accounting adjustments, supporting documentation needed, and the approval thresholds for making adjustments. It also requires periodic reviews of business processes to ensure proper accounting adjustment procedures are followed. We will continue to monitor the volume of accounting adjustments through the JRP process.
- c. DFAS Savings: In a coordinated effort with DFAS, we will continue to pursue several electronic commerce initiatives: DTS usage; individually billed accounts (IBA) usage; and government purchase card usage for contracts under \$2,500. DFAS will develop a baseline for projected savings. Additionally, we will continue our efforts to reduce DFAS work years by evaluating the Resource Management Tool capabilities against current DFAS functions.

- d. Managerial Accounting Roles and Responsibilities: Using the tasks/functions identified in the managerial accounting task matrix, we will identify focus areas for each tri-annual review during the JRP VTC, we will ask selected resource managers to brief on the use of their managerial accountants to perform specific tasks.

3. Should you have any questions, please contact Ms. Debbera Mendyk, (703) 693-2774.

  
John J. Argodale  
Deputy Assistant Secretary of the Army  
(Financial Operations)

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